

SUMMARY OF STATEMENTSON STUDY OBJECTIVES

The issues to be studied by the Panel are stated in the contract as follows:

- An examination of the need for significant change in existing Intelligence Community human resource management systems given: (a) strategic trends in the intelligence function; and (b) economic, social, and demographic trends in American society.
- An examination of present and planned Intelligence Community personnel systems to ascertain if they will be able to attract and retain the highest quality personnel through the 1990s, including identification of necessary improvements and required legislative proposals.
- A comparison of Intelligence Community personnel systems with the federal civil service including identification and analysis of personnel issues facing the Intelligence Community that may differ significantly from those facing the federal government in general.
- A comparison of the personnel needs and requirements facing the individual agencies of the Intelligence Community, with due regard for the differing missions, risks, job requirements and environments of the agencies, departments, and offices involved.
- Recommendations, if warranted, for legislative, regulatory, or other changes in personnel and/or compensation programs based on the unique nature of intelligence activities.

These objectives support the requirements stated in Title VII of the 1988 Intelligence Authorization Act and Conference Report. Title VII provides that NAPA conduct:

- " ...a comprehensive review and comparative analysis of all personnel management and compensation systems affecting civilian personnel of agencies and entities of the intelligence community." and that NAPA
- " ...determine the adequacy of existing personnel systems to further the ability of intelligence agencies or entities to perform their missions, and make such recommendations for legislative, regulative or other changes as the Academy determines advisable."

The Conference Report for the Act states that this study is needed to

- " ...provide a comprehensive review of current programs; assess the need for changes, especially those required by the unique circumstances of intelligence activities; and present recommendations to the Congress for necessary changes after considering the potential inequities the proposed changes would create either among intelligence agencies or between the intelligence community and the federal civil service."
- " ...assess the ability of intelligence community activities to perform their current and future missions with existing or proposed personnel and compensation systems."
- " ...address an analysis of existing or proposed changes to personnel management and compensation systems aimed at recruiting or retaining individuals with skills critical to the various missions of the agencies and entities of the intelligence community. Among the skills of critical importance to a number of such intelligence entities are mathematics, computer science, engineering, and foreign languages."
- " ...provide a baseline for a comprehensive review by the Intelligence Committees of all personnel needs of the intelligence agencies presented in a coherent and coordinated fashion."

Letters from staff of the House and Senate Intelligence Committees provide additional specific details and suggestions for the scope of the study.

The House staff letter states:

- " ...particular attention should be given to the (1) awards and pay scale, (2) benefits program, (3) career development, and (4) management philosophy of the various personnel management and compensation systems available in the intelligence community."
- " ...HPSCI is particularly interested in an across-the-board assessment and comparison of the differences in personnel, management, and compensation systems affecting civilian personnel serving in similar positions, under similar conditions on overseas assignment for the various intelligence agencies and entities. Particular attention should be given to the differences in pay scale, retirement, and health care benefits, and the effect on employee morale these differences may represent."
- " With respect to the two interim reports to be provided to HPSCI and SSCI on 1 May 1988 and 1 August 1988, special attention should be given to changes in personnel

management and compensation systems designed to recruit and retain individuals possessing skills of critical importance to U.S. intelligence agencies and entities. While critical skills currently include mathematics, computer science, engineering and foreign language, HPSCI prefers that NAPA adhere to a broader definition which would include those skills without which an individual agency or entity could not adequately perform its mission."

In a subsequent oral communication, the House staff emphasized the need to examine equal employment opportunity in the IC agencies.

The Senate staff letter states:

"The final report should consist of:

- a. A comprehensive identification of external and internal issues impacting the ability of the intelligence entities to perform their missions effectively;
- b. An assessment of the adequacy of personnel policies, plans and programs of each of the intelligence entities identified to perform their respective missions to the year 2000;
- c. A comparison/contrast on the civilian personnel systems of the intelligence entities identified;
- d. A comparison/contrast on the civilian personnel systems of the intelligence entities, in general, with the federal civil service; and
- e. Recommendations for legislative, regulative or other changes as NAPA determines advisable."

In a subsequent oral communication, the Senate staff emphasized the need to look at overseas compensation of staff and to compare the tax treatment of compensation and benefits between State and the rest of the IC agencies.

The following external and internal issues, identified by the Senate Select Committee on Intelligence in its preliminary analysis of intelligence personnel systems, while not inclusive, should be more clearly identified and assessed for their impact on the several intelligence missions.

" 1. External Issues:

- a. The adequacy of a qualified national work force to meet intelligence personnel mission requirements;
- b. Competition from the private sector - fact or fantasy?

- c. Competition with the federal civil service - has there been, will there be if the intelligence agencies change their compensations/benefits/
 - d. Long-range impact of congressional personnel authorization levels on personnel planning, missions, recruiting, retention.
 - e. Impact on recruiting and retention of congressional changes in federal pay and benefits."
- " 2. Internal Issues. The study should assess the adequacy and effectiveness of the following for missions assigned:
- a. Personnel planning and organization
 - b. Recruiting and selection
 - c. Training and education
 - d. Pay and benefits
 - e. Retention
 - f. Human resource management
 - g. Contracting out for personnel services
 - h. Retirement policies and compensation"

"The principal missions upon which the study should focus are:

- 1. Clandestine and overt human intelligence collection;
- 2. Foreign counterintelligence;
- 3. Development and operation of technical intelligence collection and dissemination programs; and
- 4. Analysis, production and dissemination."

Finally the contract suggests a number of specific issues for detailed analysis. Most of these issues concern compensation and benefits. Others concern career development and training, the work environment and war-time operations.

a. Compensation and Benefits:

Competition. Intelligence Community competition for human resources is primarily with the private sector. The total compensation package (pay, benefits, and awards) should be evaluated to determine what needs to be done to make the Intelligence Community competitive now and in the 1990s viz-a-viz the private sector market.

Security. Special security, cover, life-style, and professional restrictions should be examined to determine if and how they should be recognized in the total compensation packages.

Rewards. Mechanisms and programs for rewarding employees should be evaluated.

Retirement Systems. Existing retirement systems should be evaluated as managerial tools for retaining employees.

Flexibility. The study should explore the appropriateness and feasibility of establishing alternatives to the General Schedule and/or restructuring the General Schedule to provide greater management flexibility. The changing and expanding nature of intelligence requirements and the growing interdisciplinary, interagency character of intelligence work may require managers to have greater flexibility in organizing their work force than current regulations permit.

Occupational Pay. Occupational pay should be evaluated as an approach to pay administration.

Leave and Benefits. Alternative methods of leave and benefits administration should be evaluated with respect to the need to accommodate the modern work force, which contains an increasing number of dual-income families and single parents.

b. Career Development and Training:

Training. The resources necessary for retraining to meet changing staffing requirements should be analyzed. Areas that should be assessed include the adequacy of current training and employee development programs throughout the Intelligence Community (as they relate to occupation skills training and the availability of training) and the adequacy of resource commitments to these endeavors.

Retirement Systems. Existing retirement systems should be evaluated as both managerial tools for sustaining career system vitality as well as serving as incentives for retaining employees. This analysis should reflect those events such as government employment ceilings which cause age and promotion bubbles to arise. The evaluation should emphasize problems of plateauing and the need to ensure appropriate employee career progression.

Career development. The adequacy of career development programs in the face of dynamic change should be examined. Attention should be paid to existing and potential programs, including efforts to recognize the roles of supervisors and specialists.

c. Work Environment:

An assessment of the quality of work environment in each agency, including availability of appropriate facilities and equipment as it compares to corresponding elements in the private sector.

d. War-time Operations:

The potential impact of war-time operations on civilian personnel should be addressed, especially with respect to the need for continuity of critical functions in the U.S. and overseas.

24-29/3/88

*used at
Panel 1, 1988
Panel meeting*INTELLIGENCE COMMUNITY PERSONNEL STUDY

Proposal for Areas for In-Depth Study

B-1
4

Based on the preliminary investigation, it is proposed to concentrate the study in the areas of total compensation, training and career development, staffing, equal employment opportunity, and future Human Resources Management (HRM) needs of the IC agencies.

These areas will be examined in the context of the broad issues stated in the Authorization Act and the contract: whether the present and planned HRM systems will be able to attract and retain the highest quality personnel; whether there is a need for significant changes in HRM systems to meet future change; and whether there are significant differences in the HRM problems confronting the intelligence community agencies in contrast to other federal agencies and in contrast to each other.

Briefly, the focus of inquiry for each area proposed for examination is as follows:

1. Total Compensation.

--examine pay from two aspects; the impact of the pay cap and the need for increased agency flexibility in the use of the pay system within cap limits.

--examine benefits from two aspects: the need for benefits enhancement because of the nature of the work performed by staff in the IC agencies and the need for increased agency flexibility in the use of benefits to better meet the needs of a changing workforce.

--examine compensation and benefits comparability for staff in overseas assignments including a comparison with the State Department.

--examine the need for different/better pay and benefits from the general federal civil service.

--examine specific pay and benefit issues, cited in the contract and/or which are developed in the course of the study, which affect the ability of the intelligence community agencies to compete with the private sector and with other federal agencies for top quality personnel.

2. Career Development and Training.

--examine the career development programs to determine how they support the future staffing and skill needs of the agencies.

--examine the adequacy of training and retraining programs in the agencies and how they are linked to improving job performance and meeting current and future skill needs.

--examine the adequacy of resources for training and career development programs.

--examine workforce and succession planning programs to determine their adequacy for meeting the future staffing, training and career development program needs of the agencies.

3. Staffing.

--determine current and projected skill shortage and retention problems which threaten accomplishment of agency missions.

--examine the impact of the more stringent personnel security requirements of the IC agencies on the ability of the agencies to compete in the labor market.

--explore the possibility of assessing the quality of new staff being employed and retained now and in the future.

4. Equal Employment Opportunity.

--develop a grade/sex/race profile.

--examine occupational distribution in terms of race and sex.

5. Examining the Future.

--address this question from the perspective of strategic and technological change in the intelligence mission, and economic, social, and demographic trends in US.

--examine projections of agency future staffing needs from the current staff base. Include examination of the impact of congressional personnel authorizations for the IC agencies and the impact of congressional action on pay and benefits.

6. Organizational Issues.

--examine the role of the DCI in providing guidance and direction to the HRM programs of the intelligence community agencies and for performing an on-going oversight of HRM.

--examine the potential impact of war-time operations on those intelligence functions heavily dependent on civilian personnel.

*

*

*

*

The investigation will be directed primarily to the CIA, NSA, DIA, and FBI. The current redesign of the civilian personnel systems of the military intelligence agencies will not be examined. It is expected that the Panel's findings and recommendations will be of value in assessing these changes. Study of the State INR activity will be limited in scope.

To re-emphasize the comparative nature of the study, in all phases of the study, the staff will examine:

- a) the degree to which the different intelligence agencies should or could have uniform HRM policies,

- b) the extent to which the uniqueness of the intelligence function justifies different HRM policies from the rest of the government.

30-28/3/88